

Section # 1

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April 18, 2020

To Do

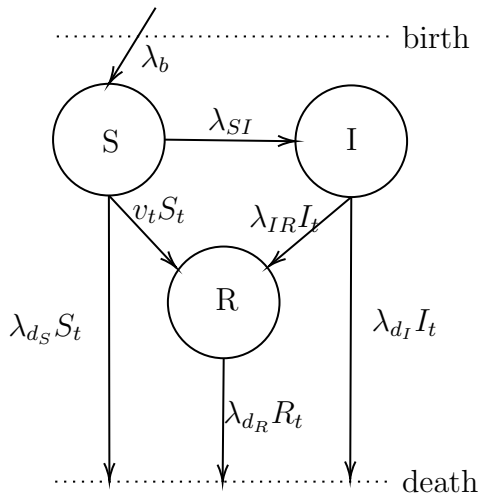
- ▶ Logistics
- ▶ Basics of the SIR model
- ▶ Extending the SIR model
 - ▶ solving the transition equations
 - ▶ solving for steady state

Logistics

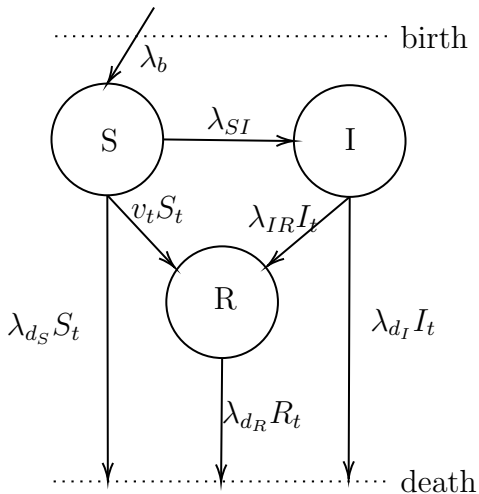
- ▶ Economics of Health and Medical Care
 - ▶ 4 problem sets. Grade is simply Complete/Incomplete
 - ▶ 2 Op-eds to write at the middle and end of the quarter
- ▶ Mine
 - ▶ danicara@stanford.edu.
 - ▶ OH Thursdays 9am-11am.
 - ▶ TA section Fridays 11.30am-12.30pm.

SIR: the basics

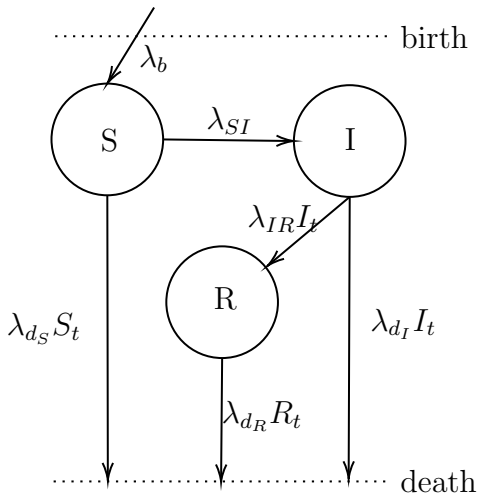
S \longrightarrow Susceptible
I \longrightarrow Infected
R \longrightarrow Recovered



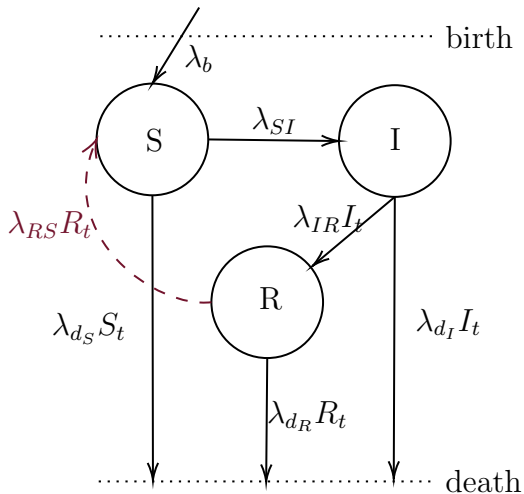
Extending the model to COVID19



Extending the model to COVID19



Extending the model to COVID19



Transition Equations

- ▶ **Transition equations:** derive how each population evolves over time.

Transition Equations

► Susceptible

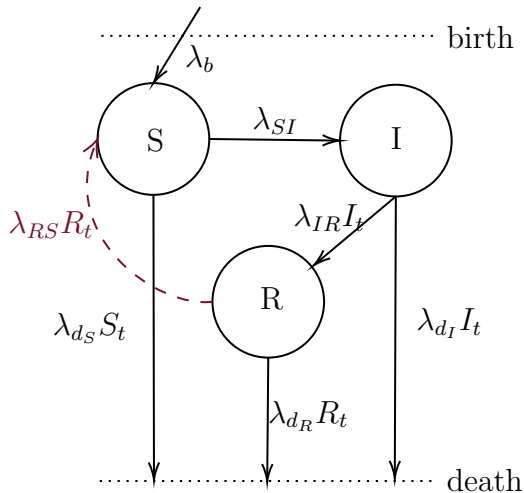
$$\frac{dS}{dt} =$$

► Infected

$$\frac{dI}{dt} =$$

► Recovered

$$\frac{dR}{dt} =$$



Transition Equations

► Susceptible

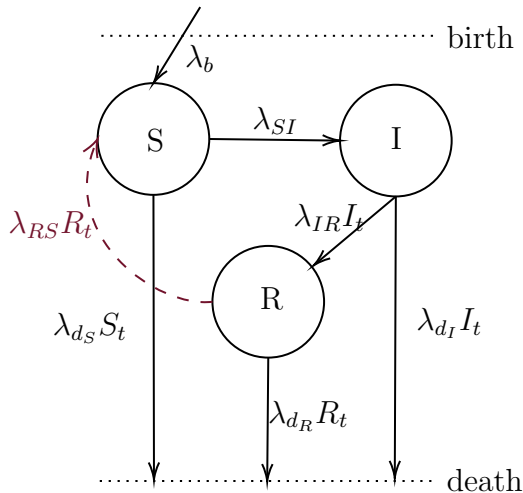
$$\frac{dS}{dt} = \lambda_b - \lambda_{SI}S_t - \lambda_{d_S}S_t + \lambda_{RS}R_t$$

► Infected

$$\frac{dI}{dt} = \lambda_{SI}S_t - \lambda_{IR}I_t - \lambda_{d_I}I_t$$

► Recovered

$$\frac{dR}{dt} = \lambda_{IR}I_t - \lambda_{d_R}R_t - \lambda_{RS}R_t$$



Steady State

- ▶ The steady state is defined by the system being *steady*.
- ▶ Does that mean nobody is moving around?
- ▶ No! Just that the moving around that is going on does not imply changes for each individual population, namely S_t , I_t and R_t .

Steady State

In steady state we have:

► Susceptible

$$\frac{dS}{dt} = 0$$

► Infected

$$\frac{dI}{dt} = 0$$

► Recovered

$$\frac{dR}{dt} = 0$$

Steady State

In steady state we have: Susceptible

$$S^* = \frac{\lambda_b (\lambda_{IR}\lambda_{RS} + \lambda_{IR}\lambda_{dR} + \lambda_{RS}\lambda_{dI} + \lambda_{dI}\lambda_{dR})}{\lambda_{IR}\lambda_{RS}\lambda_{dS} + \lambda_{IR}\lambda_{SI}\lambda_{dR} + \lambda_{RS}\lambda_{SI}\lambda_{dI} + \lambda_{IR}\lambda_{dR}\lambda_{dS} + \lambda_{RS}\lambda_{dI}\lambda_{dS} + \lambda_{SI}\lambda_{dI}\lambda_{dR} + \lambda_{dI}\lambda_{dR}\lambda_{dS}}$$

Infected

$$I^* = \frac{\lambda_{SI}\lambda_b (\lambda_{RS} + \lambda_{dR})}{\lambda_{IR}\lambda_{RS}\lambda_{dS} + \lambda_{IR}\lambda_{SI}\lambda_{dR} + \lambda_{RS}\lambda_{SI}\lambda_{dI} + \lambda_{IR}\lambda_{dR}\lambda_{dS} + \lambda_{RS}\lambda_{dI}\lambda_{dS} + \lambda_{SI}\lambda_{dI}\lambda_{dR} + \lambda_{dI}\lambda_{dR}\lambda_{dS}}$$

Recovered

$$R^* = \frac{\lambda_{IR}\lambda_{SI}\lambda_b}{\lambda_{IR}\lambda_{RS}\lambda_{dS} + \lambda_{IR}\lambda_{SI}\lambda_{dR} + \lambda_{RS}\lambda_{SI}\lambda_{dI} + \lambda_{IR}\lambda_{dR}\lambda_{dS} + \lambda_{RS}\lambda_{dI}\lambda_{dS} + \lambda_{SI}\lambda_{dI}\lambda_{dR} + \lambda_{dI}\lambda_{dR}\lambda_{dS}}$$

Steady State

- ▶ How does the level of infected in steady state increase as λ_{RS} increases?
 - intuition...
 - Rigorous solutions?
 - compute steady state I^* , check sign of $\frac{dI^*}{d\lambda_{RS}}$
 - trick from problem 15(ish):
 1. differentiate transition equations evaluated at SS (i.e. = 0)
 2. solve system of differentiated transition equations to get $\frac{dI^*}{d\lambda_{RS}}$
 - The second is often easier. In both approaches you have to solve a (complicated) system of equations, the differentiation step is likely easier.

Steady State: $\frac{dI^*}{d\lambda_{RS}}$

$$\frac{dS^*}{d\lambda_{RS}} = \frac{R^*(\lambda_{IR}\lambda_{dR} + \lambda_{dI}\lambda_{dR})}{\lambda_{IR}\lambda_{RS}\lambda_{dS} + \lambda_{IR}\lambda_{SI}\lambda_{dR} + \lambda_{RS}\lambda_{SI}\lambda_{dI} + \lambda_{IR}\lambda_{dR}\lambda_{dS} + \lambda_{RS}\lambda_{dI}\lambda_{dS} + \lambda_{SI}\lambda_{dI}\lambda_{dR} + \lambda_{dI}\lambda_{dR}\lambda_{dS}}$$

$$\frac{dI^*}{d\lambda_{RS}} = \frac{R^*\lambda_{SI}\lambda_{dR}}{\lambda_{IR}\lambda_{RS}\lambda_{dS} + \lambda_{IR}\lambda_{SI}\lambda_{dR} + \lambda_{RS}\lambda_{SI}\lambda_{dI} + \lambda_{IR}\lambda_{dR}\lambda_{dS} + \lambda_{RS}\lambda_{dI}\lambda_{dS} + \lambda_{SI}\lambda_{dI}\lambda_{dR} + \lambda_{dI}\lambda_{dR}\lambda_{dS}}$$

$$\frac{dR^*}{d\lambda_{RS}} = -\frac{R^*(\lambda_{IR}\lambda_{dS} + \lambda_{SI}\lambda_{dI} + \lambda_{dI}\lambda_{dS})}{\lambda_{IR}\lambda_{RS}\lambda_{dS} + \lambda_{IR}\lambda_{SI}\lambda_{dR} + \lambda_{RS}\lambda_{SI}\lambda_{dI} + \lambda_{IR}\lambda_{dR}\lambda_{dS} + \lambda_{RS}\lambda_{dI}\lambda_{dS} + \lambda_{SI}\lambda_{dI}\lambda_{dR} + \lambda_{dI}\lambda_{dR}\lambda_{dS}}$$

If time allows...

- ▶ Define an **externality** and give an example.
- ▶ In the US there are **open enrollments**, that is limited periods of time for people to choose their healthcare for the coming year. In particular most Americans have to make a decision between November and December of each year for healthcare starting on January 1st. Why? What is the problem with allowing people to change healthcare at any given time?